

VETERANS AFFAIRS

Budget Summary							
Fund	2000-01 Base Year Doubled	2001-03 Governor	2001-03 Jt. Finance	2001-03 Legislature	2001-03 Act 16	Act 16 Change Over Base Year Doubled	
						Amount	Percent
GPR	\$5,089,400	\$3,920,800	\$4,047,400	\$4,306,000	\$4,306,000	-\$783,400	- 15.4%
FED	1,629,000	1,710,400	1,710,400	1,710,400	1,710,400	81,400	5.0
PR	82,878,400	89,371,200	88,911,600	91,577,300	91,577,300	8,698,900	10.5
SEG	<u>221,318,600</u>	<u>240,273,700</u>	<u>231,022,300</u>	<u>230,631,100</u>	<u>230,631,100</u>	<u>9,312,500</u>	4.2
TOTAL	\$310,915,400	\$335,276,100	\$325,691,700	\$328,224,800	\$328,224,800	\$17,309,400	5.6%

FTE Position Summary						
Fund	2000-01 Base	2002-03 Governor	2002-03 Jt. Finance	2002-03 Legislature	2002-03 Act 16	Act 16 Change Over 2000-01 Base
GPR	8.80	8.80	8.80	9.30	9.30	0.50
FED	7.50	5.00	5.00	5.00	5.00	- 2.50
PR	744.24	748.74	749.74	779.24	779.24	35.00
SEG	<u>145.76</u>	<u>162.76</u>	<u>150.76</u>	<u>149.76</u>	<u>149.76</u>	<u>4.00</u>
TOTAL	906.30	925.30	914.30	943.30	943.30	37.00

Budget Change Items

General Agency Provisions

1. STANDARD BUDGET ADJUSTMENTS [LFB Paper 995]

	Governor (Chg. to Base)		Jt. Finance/Leg. (Chg. to Gov)		Net Change	
	Funding	Positions	Funding	Positions	Funding	Positions
GPR	\$11,200	0.00	\$0	0.00	\$11,200	0.00
FED	- 29,000	- 2.00	0	0.00	- 29,000	- 2.00
PR	2,634,000	- 1.00	- 17,000	0.00	2,617,000	- 1.00
SEG	- 1,319,400	0.00	0	0.00	- 1,319,400	0.00
TOTAL	\$1,296,800	- 3.00	- \$17,000	0.00	\$1,279,800	- 3.00

Governor: Provide standard adjustments to the base budget totaling \$5,600 GPR, -\$14,600 FED, \$1,317,000 PR and -\$659,700 SEG in 2001-02 and \$5,600 GPR, -\$14,400 FED, \$1,317,000 PR and -\$659,700 SEG in 2002-03 and -2.0 FED positions and -1.0 PR project position annually for: (a) turnover reduction (-\$429,500 PR and -\$144,700 SEG annually); (b) removal of noncontinuing elements from the base (-\$31,400 GPR, -\$57,900 FED, -\$288,200 PR and -\$750,600 SEG in 2001-02 and -\$31,400 GPR, -\$57,700 FED -\$288,200 PR and -\$750,600 SEG in 2002-03 and -2.0 FED positions and -1.0 PR project position annually); (c) full funding of continuing salaries and fringe benefits (\$36,400 GPR, \$43,300 FED, \$865,300 PR and \$197,800 SEG annually); (d) BadgerNet increases (\$900 PR and \$2,000 SEG annually); (e) overtime (\$541,900 PR and \$14,900 SEG annually); (f) night and weekend differential (\$624,300 PR annually); (g) fifth week of vacation as cash (\$600 GPR, \$2,300 PR and \$8,300 SEG annually); (h) full funding of lease costs and directed moves (\$12,600 SEG annually); and (i) minor offsetting transfers within the same appropriation.

Joint Finance/Legislature: Reduce funding by \$8,500 PR annually to reflect the application of the appropriate fringe benefit rate to the adjustment for night and weekend differential pay at the Veterans Home at King. Reduce medical assistance (MA) benefits funding budgeted in the Department of Health and Family Services by \$3,000 GPR and \$4,200 FED annually to reflect projected MA savings. The fiscal effect of the MA benefit reduction is identified under "Health and Family Services -- Medical Assistance".

2. DEBT SERVICE REESTIMATES [LFB Paper 266]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	-\$237,600	\$126,600	-\$111,000
PR	1,211,700	0	1,211,700
SEG	6,575,500	0	6,575,500
TOTAL	\$7,549,600	\$126,600	\$7,676,200

Governor: Reestimate the agency's debt service requirements by -\$81,400 GPR, \$334,100 PR and \$321,100 SEG in 2001-02 and -\$156,200 GPR, \$877,600 PR and \$6,254,400 SEG in 2002-03 for the following programs: (a) facilities at the veterans homes (-\$81,400 GPR and \$334,100 PR in 2001-02 and -\$156,200 GPR and \$877,600 PR in 2002-03); (b) veterans personal loan program (-\$1,263,300 SEG annually); (c) tax exempt borrowing for the veteran mortgage loan program (\$1,058,000 SEG in 2001-02 and \$5,211,400 SEG in 2002-03); (d) taxable borrowing for the veteran mortgage loan program (\$453,000 SEG in 2001-02 and \$2,233,400 SEG in 2002-03); and (e) capital construction at the Southern Wisconsin Veterans Memorial Cemetery (\$73,400 SEG in 2001-02 and \$72,900 SEG in 2002-03).

Joint Finance/Legislature: Reestimate debt service costs for facilities at the veterans homes by \$63,600 GPR in 2001-02 and \$63,000 GPR 2002-03.

3. IN-HOUSE SERVICING OF THE PRIMARY MORTGAGE LOAN PROGRAM PORTFOLIO [LFB Paper 970]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
SEG	\$5,739,400	- \$5,709,400	\$30,000

Governor: Authorize the Department to assume the servicing of the veterans primary mortgage loan portfolio and to purchase from authorized lenders the servicing rights for such portfolios. Provide \$4,840,600 in 2001-02 and \$898,800 in 2002-03 for the likely implementation of an in-house loan servicing function following the development of a plan for the most cost-effective method of servicing such loans, as follows:

Loan Servicing Administration. Create a SEG-funded sum certain appropriation, funded from the veterans mortgage loan repayment fund, to support the in-house servicing of the veterans primary mortgage loan portfolio and provide \$1,297,000 in 2001-02 and \$898,800 for this purpose. Of the amounts provided, all but \$30,000 in 2001-02 for supplies and services costs would be budgeted in unallotted reserve. No new positions for the agency would be authorized under this appropriation. Define the Department as a "mortgage banker" for the purpose of providing the in-house servicing of the veterans primary mortgage loan portfolio.

Escrow Payments. Create a SEG-funded continuing appropriation, funded from the veterans mortgage loan repayment fund, to which would be credited monthly escrow payments from borrowers for real estate taxes and casualty insurance premiums, in the event that the Department assumes the in-house servicing of the veterans primary mortgage loan portfolio. Require the Department to hold in escrow all such payments and to pay all of the required amounts due for real estate taxes and casualty insurance premiums for each borrower making escrow payments, even if the amounts held in escrow are insufficient. In the case of an insufficiency, the Department would be directed to recover the amount of the insufficiency from the veteran. If the amounts in the borrower's escrow account were in excess of the amounts required for the real estate taxes and casualty insurance premium payments, the Department would be required to pay all of the amounts due and refund the amount of the excess to the veteran. Extend the current law provision requiring that borrowers maintain adequate fire and extended coverage insurance to specify that the Department also be named as an insured in the event that it assumes the in-house servicing of the veterans primary mortgage loan portfolio. No expenditures are estimated under this new appropriation.

Loan Servicing Rights. Create a SEG-funded biennial appropriation, funded from the veterans mortgage loan repayment fund, to support the purchase of loan servicing rights from existing authorized lending institutions and provide \$3,543,600 in 2001-02 for this purpose. All of these amounts would be budgeted in unallotted reserve. It is anticipated that this level of funding would be sufficient to pay the cost (equivalent to 0.5% of the value of the loans) of terminating loan servicing contracts with lending institutions for an estimated outstanding loan volume of \$708.7 million.

Development of a Plan for Servicing Primary Mortgage Loans. Require the Department and DOA to develop a plan for the most cost-effective method for the in-house servicing of the veterans primary mortgage loan portfolio. Specify that the Secretary of DOA could not authorize the encumbrance or the expenditure of funds under any of the new appropriations described above until after the plan developed by the two agencies had been completed. Although \$30,000 in 2001-02 has been made available under the new loan servicing administration appropriation for the study and development of this plan, the language of the bill precludes its use prior to the actual completion of the plan. Finally, the Department would be prohibited from holding any escrow payments until after the actual completion of the plan.

Joint Finance: Delete \$4,810,600 in 2001-02 and \$898,800 in 2002-03 recommended for in-house loan servicing administration and the purchase of loan-servicing rights. Place equivalent amounts in the Joint Committee on Finance's s. 20.865(4)(u) appropriation for possible future release to the Department, once the Committee has reviewed and approved the plan developed by DVA and DOA for the most cost-effective method for implementing the in-house servicing of the veterans primary mortgage portfolio.

Conference Committee/Legislature: Include a technical modification to Joint Finance provision to permit the Secretary of DOA to authorize the encumbrance of \$30,000 already appropriated in 2001-02 for DOA and DVA to jointly develop a plan for the most cost-effective method for the in-house servicing of the veterans primary mortgage loan portfolio.

[Act 16 Sections: 795 thru 797, 1475 thru 1477, 1479, 1480, 1482, 3029 and 9157(1)]

4. DOCUMENT IMAGING OF AGENCY RECORDS [LFB Paper 971]

	Governor (Chg. to Base)		Jt. Finance/Leg. (Chg. to Gov)		Net Change	
	Funding	Positions	Funding	Positions	Funding	Positions
SEG	\$1,099,600	5.00	-\$1,074,600	- 5.00	\$25,000	0.00

Governor: Provide \$910,700 in 2001-02 and \$188,900 in 2002-03 and 5.0 four-year project positions to begin an initiative to convert the agency's estimated 1.5 million pages of veterans' files from a paper storage format to an electronic imaging format. Of the amounts provided, \$25,000 in 2001-02 would fund a feasibility study to determine the advisability of a document imaging project for veterans' records and program usage files. All of the remaining funds would be budgeted in unallotted reserve (\$885,700 in 2001-02 and \$188,900 in 2002-03) for release by DOA, based on its concurrence with the study recommendations.

Joint Finance/Legislature: Delete \$885,700 in 2001-02 and \$188,900 in 2002-03 and 5.0 four-year project positions for a document imaging initiative. Place an equivalent amount in the Joint Committee on Finance's s. 20.865(4)(u) appropriation for possible future release to the Department, once a documents imaging feasibility study had been completed. A total of \$25,000 in 2001-02 would be provided for the feasibility study. The feasibility study would have

to include the results of requests for information for the costs of the documents imaging project, if undertaken by the State Records Center or by private vendors, and an assessment by DVA of the most cost-effective strategy for the documents conversion project. The position authority for 5.0 project positions is deleted pending a determination of whether or not the documents imaging project would be undertaken in-house or contracted out.

5. INFORMATION TECHNOLOGY INITIATIVES

PR	\$133,700
SEG	235,200
Total	\$368,900

Governor/Legislature: Provide \$110,600 PR and \$160,100 SEG in 2001-02 and \$23,100 PR and \$75,100 SEG in 2002-03 for the following IT initiatives: (a) consultant services to facilitate the development of electronic communications with the agency's clients including the capability of applying electronically for agency programs and services (one-time funding of \$85,000 SEG in 2001-02); (b) basic IT infrastructure purchases for the new community-based residential facilities at the Southern Wisconsin Veterans Retirement Center (one-time funding of \$65,000 PR in 2001-02); and (c) on-going agencywide IT infrastructure upgrading and replacement purchases of personal computers, printers and networking equipment (\$45,600 PR and \$75,100 SEG in 2001-02 and \$23,100 PR and \$75,100 SEG in 2002-03).

6. ESTABLISHMENT OF REGIONAL SERVICE DELIVERY CENTERS [LFB Paper 972]

	Governor (Chg. to Base)		Jt. Finance/Leg. (Chg. to Gov)		Net Change	
	Funding	Positions	Funding	Positions	Funding	Positions
SEG	\$792,900	9.00	-\$475,900	- 6.00	\$317,000	3.00

Governor: Provide \$154,400 in 2001-02 and \$638,500 in 2002-03 and 9.0 positions annually to enable the agency to establish six regional service delivery centers and seven video conferencing systems in the state. Funds would be used for: (a) benefits specialists, clerical staff and associated supplies and services to support the operation of the new centers (\$12,400 in 2001-02 and \$441,000 in 2002-03 and 9.0 positions annually); (b) one-time funding for the purchase of computer equipment, copiers, faxes, office furniture and three motor vehicles for each center's office (\$22,100 in 2001-02 and \$174,800 in 2002-03); (c) one-time funding for the purchase of videoconferencing equipment that would be placed in the Milwaukee claims office and six regional offices (\$97,200 in 2001-02); and (d) on-going funding for videoconferencing equipment (\$22,700 annually). It is anticipated that the new centers would become fully operational in the 2002-03 fiscal year. The 9.0 new positions would staff three of the new centers, while the Department would reallocate existing staff and base level resources to establish the remaining three centers.

The new regional service delivery centers would provide centralized veterans benefits counseling in an effort to secure additional federal veterans pension and health care benefits for

qualifying individuals. The centers would also include staff detailed from other federal, state and local agencies that provide benefits and services to veterans.

Require the Department to submit report to DOA no later than June 30, 2003, on the performance of the regional delivery centers, including each center's video conferencing system.

Joint Finance: Delete provision. Instead, provide \$226,700 in 2001-02 and \$90,300 in 2002-03 and 3.0 positions, as follows: (a) \$67,800 in 2001-02 and \$90,300 in 2002-03 and 2.0 FTE mobile claims officer positions and 1.0 FTE claims officer position to provide veterans pension and health care benefits counseling; and (b) \$158,900 in 2001-02 for transportation and computers for regional coordinators, claims officers, and mobile claims officers.

Prohibit the Department from employing more than five regional coordinators to provide claims and benefit application assistance to veterans in coordination with the appropriate county veterans service officers in order to maximize assistance to veterans.

Prohibit the Department from employing more than seven claims officers to provide federal claims and benefit assistance to veterans. Specify that these claims officer positions be based in the agency's regional office in Milwaukee County. Specify that the Department may not employ more than two mobile claims officers in the agency's southeast region and may not employ more than one mobile claims officer in each of the agency's three remaining regions to provide claim and benefit assistance to veterans in coordination with the appropriate county veterans service officers.

Additional Claims Officers and Regional Coordinators. In consultation with veterans service organizations, county veterans' service officer organizations and county veterans' service officers, require the Department to study whether additional mobile claims officers and regional coordinators are needed to provide claim and benefit assistance to veterans located outside the agency's southeast region service area. If the Department determines that additional mobile claims officers are needed, authorize it to submit a proposal to the Joint Committee on Finance under a 14-day passive review procedure to increase the number of authorized mobile claims officer positions in the Department for mobile claims officers. If the Department determines, with the concurrence of veterans service organizations, county veterans' service officer organizations and county veterans' service officers, that additional regional coordinators are needed, authorize it to submit a proposal to the Joint Committee on Finance under a 14-day passive review procedure to increase the number of regional coordinators in the agency. Under either type of submission, specify that the Department would not have to show that an emergency exists in order to request the additional funding and position authority.

Senate/Legislature: Modify the provision by authorizing the agency to employ no more than eight (rather than five) regional coordinators. Delete the requirement that the agency must obtain the concurrence of veterans' service organizations and county veterans' service officers. As a result of the modification, the agency would be required to obtain the concurrence only of

the county veterans service officer organizations in order to submit a request to the Joint Committee on Finance for additional regional coordinator positions.

Veto by Governor [E-37]: Delete provisions limiting the agency to a maximum of eight regional coordinators, seven claims officers, two mobile claims officers in the agency's southeast region, and one mobile claims officer in each of the remaining three regions. Delete the requirement that the Department consult with county veterans' service officer organizations before requesting additional regional coordinators and the requirement that any proposed additional mobile claims officer staff be located outside of DVA's southeast region.

[Act 16 Sections: 1451m thru 1451r and 9157(5mk)]

[Act 16 Vetoed Sections: 1451m thru 1451r and 9157(5mk)]

7. FUEL AND UTILITY COST INCREASES

PR	\$449,000
SEG	<u>26,100</u>
Total	\$475,100

Governor/Legislature: Provide \$311,400 PR and \$14,100 SEG in 2001-02 and \$137,600 PR and \$12,000 SEG for increased fuel and utility costs at agency facilities.

8. VETERANS MUSEUM OPERATIONS [LFB Paper 166]

	Governor (Chg. to Base)		Jt. Finance (Chg. to Gov)		Legislature (Chg. to JFC)		Net Change	
	Funding	Positions	Funding	Positions	Funding	Positions	Funding	Positions
GPR	-\$942,200	0.00	\$0	0.00	\$205,600	0.50	-\$736,600	0.50
PR	0	0.00	200,000	0.00	205,600	0.50	405,600	0.50
SEG	<u>1,257,400</u>	<u>1.00</u>	<u>-200,000</u>	<u>0.00</u>	<u>-411,200</u>	<u>-1.00</u>	<u>646,200</u>	<u>0.00</u>
Total	\$315,200	1.00	\$0	0.00	\$0	0.00	\$315,200	1.00

Governor: Provide -\$471,100 GPR and \$680,500 SEG in 2001-02 and -\$471,100 GPR and \$576,900 SEG in 2002-03 and 1.0 SEG two-year project position annually for the following Veterans Museum initiatives:

Museum Space Rental and Utilities Funding Conversion. Delete \$471,100 GPR annually and provide \$471,100 SEG annually from the Veterans Trust Fund to reflect the conversion of the funding source for the Veterans Museum's space rental and fuel and utilities costs. Repeal the Veterans Museum's GPR-funded space rental appropriation.

Museum Staffing. Provide funding and staffing for: (a) a temporary program assistant position to continue data entry of the Veterans Museum collection inventory in order to produce an electronic, machine readable catalogue (\$31,700 SEG for 2001-02 and \$33,100 SEG for 2002-03 and 1.0 SEG two-year project position); and (b) deletion of excess salary and fringe benefits funding for which no position authorization currently exists (-\$48,000 SEG annually).

Museum Exhibit Enhancements. Provide funding for: (a) installation costs associated with a major special exhibit in November, 2001 (one-time funding of \$30,000 SEG in 2001-02); (b) ongoing-support for the installation of temporary exhibits (\$25,000 SEG annually); and (c) on-going funding to support the development of exhibits for the Wisconsin National Guard education center and library (\$50,000 SEG annually).

Other Museum Operations. Provide funding for the following Veterans Museum operating costs: (a) replacement of the Veterans Museum phone system (one-time funding of \$15,000 SEG in 2001-02); (b) reestimate of anticipated Veterans Museum store sales during the 2001-03 biennium (\$15,000 SEG annually); (c) increased contract costs for security guards and the monitoring of security cameras by the State Capitol police (\$6,000 SEG in 2001-02 and \$6,200 SEG in 2002-03); (d) one-time funding for distance learning hardware and software for an audio visual system for the distance learning program, and telephone lines, lighting upgrade and electrician charges (\$60,200 in 2001-02); and (e) public education programs (\$24,500 annually).

Joint Finance: Provide \$100,000 PR annually from tribal gaming revenues to fund operational costs of the Veterans Museum and create a new appropriation for this purpose. Delete \$100,000 SEG annually provided for Veterans Museum operations

Assembly: Modify the Joint Finance provision allocating tribal gaming revenues for a portion of Veterans Museum operations by providing an additional \$128,700 PR in 2001-02 and \$76,900 PR in 2002-03 and 0.5 PR two-year project position annually from tribal gaming revenues and by deleting a corresponding \$128,700 SEG in 2001-02 and \$76,900 SEG in 2002-03 and 0.5 SEG two-year project position annually to reflect this funding conversion. Under the modification, tribal gaming revenues would fund 50% of the amounts and the Veterans Trust Fund would fund the remaining 50% of the amounts for the following initiatives recommended by the Governor:

Museum Staffing. A temporary program assistant position to continue data entry of the Veterans Museum collection inventory in order to produce an electronic, machine readable catalogue (\$31,700 for 2001-02 and \$33,100 for 2002-03 and 1.0 FTE two-year project position).

Museum Exhibit Enhancements. Support for: (a) installation costs associated with a major special exhibit in November, 2001 (one-time funding of \$30,000 in 2001-02); (b) on-going funding for the installation of temporary exhibits (\$25,000 annually); and (c) on-going funding to support the development of exhibits for the Wisconsin National Guard education center and library (\$50,000 annually).

Other Museum Operations. Support for: (a) replacement of the Veterans Museum phone system (one-time funding of \$15,000 in 2001-02); (b) a reestimate of anticipated Veterans Museum store sales during the 2001-03 biennium (\$15,000 annually); (c) increased contract costs for security guards and the monitoring of security cameras by the State Capitol police (\$6,000 in 2001-02 and \$6,200 in 2002-03); (d) one-time funding for distance learning hardware and software for an audio visual system for the distance learning program, and telephone lines,

lighting upgrade and electrician charges (\$60,200 in 2001-02); and (e) public education programs (\$24,500 annually).

Conference Committee/Legislature: Modify Assembly provision by providing \$128,700 GPR in 2001-02 and \$76,900 GPR in 2002-03 and 0.5 GPR two-year project position annually and by deleting \$128,700 SEG in 2001-02 and \$76,900 SEG in 2002-03 and 0.5 SEG two-year project position annually to reflect the full funding of the Veterans Museum initiatives identified under the Assembly provision from sources other than the Veterans Trust Fund.

[Act 16 Sections: 784, 787k and 887t]

9. MILITARY HONORS FUNERAL COST INCREASES

SEG	\$264,000
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Governor/Legislature: Provide \$139,300 in 2001-02 and \$124,700 in 2002-03 for expanded services under the military honors funeral program, created by 1999 Wisconsin Act 136. Funding would be used for: (a) increased travel costs for members of two departmental honor guard teams established by Act 136 (\$54,700 annually); (b) purchasing two additional vehicles to permit the existing departmental honor guard teams to be located at three locations in the state, rather than the current two locations, as provided under Act 136 (one-time funding of \$39,600 in 2001-02); and (c) a likely increased volume of \$50 per funeral reimbursements payable to veterans organizations that provide honor guard details (\$45,000 in 2001-02 and \$70,000 in 2002-03). The amounts provided for the increased \$50 reimbursements would be placed in unallotted reserve for release by DOA. Base level funding for honor guard team travel is currently \$25,300 annually, and the base level funding available for funeral honor guard reimbursements to local veterans organizations is \$55,000 annually.

Provisions of 1999 Wisconsin Act 136 authorized the Adjutant General of the Wisconsin National Guard to activate guard members to provide military honors details for local veterans groups. The Act also established and funded two seven-member honor guard teams in the Department and located one of the teams in the northern part of the state and the other team in the southern part of the state. Finally, the Act created a \$50 reimbursement grant payable to any local veterans organization that provides honor guard details at the funeral of a deceased veteran.

10. NORTHERN WISCONSIN VETERANS MEMORIAL CEMETERY FUNDING

FED	- \$36,400
PR	36,400
SEG	- 251,400
Total	- \$251,400

Governor/Legislature: Make the following funding changes relating to the operation of the Northern Wisconsin Veterans Memorial Cemetery: (a) delete \$125,700 SEG annually that was budgeted in unallotted reserve pending receipt of a federal grant (which has now been received) to construct the cemetery and provide limited administration and maintenance support; (b) shift \$117,800 SEG annually of remaining funds budgeted in unallotted reserve to support on-going cemetery administration and maintenance

activities; (c) delete \$18,200 FED annually budgeted in unallotted reserve for federal cemetery operations assistance; and (d) provide expenditure authority of \$18,200 PR annually for cemetery operations and maintenance. The source of revenues for the PR account would derive from fees that the Department may charge for burials.

11. VETERANS OUTREACH INITIATIVES

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Legislature (Chg. to JFC)	Net Change
SEG	\$225,800	\$143,000	\$20,000	\$388,800

Governor: Provide \$125,000 in 2001-02 and \$100,800 in 2002-03 for the following veterans outreach initiatives:

Veterans Service Organization Grant Increases. Provide \$30,000 annually to fund the anticipated increased costs from increasing the maximum annual grant available to veterans service organizations from \$20,000 to \$30,000. Under current law, upon application by a veterans service organization (such as the American Legion, Veterans of Foreign Wars, or Disabled American Veterans) the Department must provide a grant to the organization if applicant has maintained a full-time service office at its regional office for at least five of the last 10 years. The grants equal 25% of all salaries and travel expenses of the organization, subject to an overall grant minimum of \$2,500. The current base level funding for the grant program is \$75,000 annually.

County Veterans Service Officer Training. Provide \$65,000 in 2001-02 and \$65,800 in 2002-03 to: (a) enable the Department to offer to county veterans service officers at least two formal training sessions annually on new veterans benefits and agency-provided services (\$20,000 annually); and (b) retain a consultant who would provide technical legal training to county veterans service officers to promote increased advocacy for and representation of veterans, including the development of benefits claims (\$45,000 in 2001-02 and \$45,800 in 2002-03).

Milwaukee Claims Office Enhancements. Provide one-time funding of \$25,000 in 2001-02 for the purchase of a van and laptop computer for the agency's Milwaukee claims office in order to facilitate the collection of veterans benefit applications in southeastern Wisconsin.

Veterans Benefits Fairs. Provide \$5,000 annually to support additional veterans benefits fairs to be held around the state.

Joint Finance: Provide \$84,000 in 2001-02 and \$59,000 in 2002-03 for the following additional veterans outreach initiatives.

Veterans Benefits Fairs and Promotional Activities. Provide \$45,000 annually for additional veterans benefits fairs (\$20,000) and associated promotional efforts (\$25,000).

Reimbursements for Vietnam Veterans of America Certification Courses. Provide \$12,500 annually for a grant to the Vietnam Veterans of America to reimburse the costs of basic and advanced training of qualified individuals for certification courses that would allow these individuals to represent veterans in disputes over federal benefits. Provide that these grants would not count against the annual awards amounts currently granted to veterans service organizations by the Department.

Supportive Living Environment for Veterans. Provide \$25,000 in 2001-02 to provide a one-time grant to Armitage, Inc., to establish a supportive living environment for veterans in Onalaska.

County Veterans Service Office Grants. Provide \$1,500 annually for county veterans service office grant funding to reflect increased annual funding due to the movement of a county into a higher grant payment category due to an increase in population.

Assembly/Legislature: Provide \$20,000 in 2002-03 for the following additional veterans outreach initiative:

Emergency Aid Pilot Program. Provide a one-time grant of \$20,000 in 2002-03 to the Monroe County Veterans Service Office to administer an emergency aid pilot program. Specify that the pilot would provide emergency aid to low-income veterans who have received services from the USDVA Medical Center at Tomah or from its associated Veterans Assistance Center. Stipulate that the Monroe County veterans service officer would determine a veteran's eligibility for this aid. Specify that the grant could be used only for the emergency aid pilot program and the assistance provided under the pilot could be used only for such emergency services as transportation services, food or temporary housing. Repeal the authority to make veterans emergency aid pilot program grants, effective June 30, 2003.

Veto by Governor [E-38 and E-39]: *Reimbursements for Vietnam Veterans of America Certification Courses.* Delete the statutory language authorizing \$12,500 annually for a grant to the Vietnam Veterans of America to reimburse the costs of basic and advanced training of qualified individuals for certification courses that would allow these individuals to represent veterans in disputes over federal benefits. The Governor's partial veto does not reduce the \$12,500 appropriated annually under the s. 20.485(2)(vw) appropriation originally associated with these on-going training grants to the Vietnam Veterans of America.

Supportive Living Environment for Veterans. Delete the statutory language authorizing \$25,000 in 2001-02 for a one-time grant to Armitage, Inc., to establish a supportive living environment for veterans in Onalaska. The Governor's partial veto does not reduce the \$25,000 appropriated in 2001-02 under the s. 20.485(2)(rm) appropriation originally associated with this one-time grant to Armitage, Inc.

Emergency Aid Pilot Program. Delete the statutory language authorizing \$20,000 in 2002-03 for a one-time grant to the Monroe County Veterans Service Office to administer an emergency aid pilot program. The Governor's partial veto does not reduce the \$20,000 appropriated in 2002-03 under the s. 20.485(2)(rm) appropriation originally associated with this one-time grant to the Monroe County Veterans Service Office.

[Act 16 Sections: 788s, 788sf and 1457]

[Act 16 Vetoeed Sections: 788s, 788sf, 792j, 1458m, 9157(6c)&(8c) and 9457(3c)]

12. MANAGEMENT TRAVEL INCREASES [LFB Paper 973]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
SEG	\$50,000	- \$50,000	\$0

Governor: Provide \$25,000 annually to support increased travel expenses for Department senior management and other staff. The increased travel would allow for staff attendance at town meetings with veterans, national conferences and conventions and would permit increased interaction with federal executive and legislative branch officials.

Joint Finance/Legislature: Delete provision.

13. EMPLOYMENT AND TRAINING PROGRAM RESOURCES

	Funding Positions	
SEG	\$38,400	1.00

Governor/Legislature: Provide \$23,000 in 2001-02 and \$15,400 in 2002-03 and 1.0 position annually associated with the following veterans training and employment placement activities:

Employment and Training Program Staffing Increase. Provide \$83,000 in 2001-02 and \$75,400 in 2002-03 and 1.0 position annually to coordinate training and employment placement efforts for veterans and assist veterans with the transition from military service to private and public sector employment. The proposed position would coordinate with participants in the agency's existing retraining grant program, assist in securing academic credit for military experience and develop and promote a certification and credentialing program based on military training and experience.

Reduction in Base Level Supplies and Services Funding. Delete \$60,000 annually of excess base level supplies and services funding budgeted for the veterans employment and training function.

14. SASI INITIATIVE

PR	\$23,000
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Governor/Legislature: Provide \$11,500 annually for basic desktop information technology support as part of a small agency support infrastructure (SASI) program. This support is currently provided to small agencies by DOA. The proposed funding is intended to support DOA user charges of \$2,200 per year for each of the nine accounts at the Educational Approval Board, which is attached administratively to the Department. While total funding of \$19,800 annually is indicated for the Board based on its current number of users, only \$11,500 annually would actually be provided under the Governor's recommendation. The services supported at DOA include desktop applications and hardware; continuous help desk support; network infrastructure and security; centralized data storage, backup and disaster recovery; dialup service; and E-mail/messaging services.

15. ADDITIONAL UNCLASSIFIED DIVISION ADMINISTRATORS [LFB Paper 974]

	Governor (Chg. to Base)		Jt. Finance/Leg. (Chg. to Gov)		Net Change	
	Funding	Positions	Funding	Positions	Funding	Positions
PR	\$2,500	0.00	- \$2,500	0.00	\$0	0.00
SEG	13,400	1.00	- 13,400	- 1.00	0	0.00
Total	\$15,900	1.00	- \$15,900	- 1.00	\$0	0.00

Governor: Convert the existing positions of director of the Veterans Museum and administrator of the Division of Administrative Services from the classified to the unclassified service and provide an additional \$1,100 PR and \$5,800 SEG in 2001-02 and \$1,400 PR and \$7,600 SEG in 2002-03 for salary and fringe benefits for these positions. The additional salary and fringe benefits funding is based on the expectation that the new unclassified positions would be assigned to executive salary group 3. Typically, the Department of Employment Relations studies the characteristics of each new unclassified division administrator position and then recommends the appropriate executive salary group assignment.

Authorize an additional 1.0 SEG unfunded unclassified division administrator position to enable the agency to establish a new Division of Veterans Services. Include statutory language increasing the authorized number of unclassified division administrators in the agency from two to five. Unclassified administrators receive a higher WRS multiplier for retirement purposes and, if they are not already in the career executive program, an additional week of vacation.

Joint Finance/Legislature: Delete provision.

16. AMERICAN INDIAN VETERANS SERVICE GRANTS

PR	\$10,000
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Governor/Legislature: Provide \$5,000 annually for additional grants to assist American Indian veterans in obtaining state and federal benefits. This increased funding would be

provided from tribal gaming revenues received and disbursed by DOA's Division of Gaming. Currently, each of the eleven tribes in the state may apply for a veterans service grant of up to \$2,500 if they enter into an agreement with the Department regarding the creation, goals and duties of a tribal veterans service officer. Base level funding for American Indian veterans service grants is \$10,000 annually.

17. EDUCATIONAL APPROVAL BOARD FUNCTIONS AND FUNDING

Funding Positions		
FED	- \$115,600	- 0.50
PR	<u>115,500</u>	<u>0.50</u>
Total	\$100	0.00

Governor/Legislature: Provide -\$57,800 FED and \$56,000 PR in 2001-02 and -\$57,800 FED and \$59,500 PR and -0.5 FED and 0.5 PR position annually to reflect the following conversions of the functions and funding for the Educational Approval Board (EAB), which is attached administratively to the Department.

Transfer of GI Bill Education and Training Approval Functions. Transfer the EAB's current oversight and approval of education and training programs for veterans under the GI Bill to the Department and make necessary cross-reference changes to reflect this shift of functions. Delete \$231,000 FED and 3.0 FED positions annually under the EAB and provide an increase of \$231,000 FED and 3.0 FED positions annually under the Department to reflect this transfer of 3.0 FTE of the current 3.5 FTE staff at the EAB engaged in these oversight and approval functions. Delete the FED appropriation supporting these positions under the EAB and transfer the unencumbered balances in the appropriation to a federal funds appropriation under the Department.

Partial Funding Conversion. Delete the remaining \$57,800 FED and 0.5 FED position annually under the EAB and provide \$56,000 PR in 2001-02 and \$59,500 PR and 0.5 PR position to reflect the funding conversion of the remaining 0.5 FED position that would not be transferred from the EAB to the Department under the GI Bill realignment. The EAB's program revenue-supported functions are funded through fees that are assessed for approving private postsecondary schools and courses of instruction.

Transition Provisions. Specify that on the general effective date of the biennial budget act, the 3.0 FTE positions and incumbent employees, as jointly determined by the EAB and the Department, would be transferred to the Department. The EAB and the Department would be required to develop a plan for the orderly transfer of the employees, and in the event that the parties cannot agree on the transfers, the Secretary of DOA would resolve the matter and develop such a plan. Specify that all transferred employees would retain the same rights and employee status they held prior to the transfer and no employee who had attained permanent status in his or her classified position could be required to serve a new probationary period.

[Act 16 Sections: 785, 788, 793, 798, 1120, 1441, 1448 thru 1451, 1453, 1471, 1472, 9157(3) and 9257(1)]

18. RESTORATION OF THE "VICTORIOUS CHARGE" CIVIL WAR MONUMENT

GPR	\$50,000
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Senate/Legislature: Provide \$50,000 in 2001-02 for restoration services on the "Victorious Charge" Civil War monument in the City of Milwaukee and create an appropriation specifically for this one-time grant appropriation. Require the Department to make a one-time grant to the Milwaukee Arts Board for this restoration project. The total cost of renovation is estimated at \$139,000.

[Act 16 Sections: 785g and 9157(7v)]

19. WISCONSIN VETERANS TRIBUTE MEMORIAL

GPR	\$3,000
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Senate/Legislature: Provide one-time funding of \$3,000 in 2001-02 to permit the Department to make a matching grant to the Wisconsin Veterans Tribute Memorial at Cadott (Chippewa County) for the repair and replacement of flags at the Memorial. Require the Wisconsin Veterans Tribute Memorial to provide matching funds of \$3,000 before the Department may make the grant.

[Act 16 Sections: 785e and 9157(8g)]

Trust Fund Programs and Veterans Benefits

1. PRIMARY MORTGAGE LOAN PROGRAM BONDING AUTHORITY

BR	\$100,640,000
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Governor/Legislature: Increase bonding authority for the primary mortgage loan program by \$100,640,000. The total bonding authority for the program would increase from \$2,020,500,000 to \$2,120,840,000.

[Act 16 Section: 978]

2. EDUCATIONAL GRANTS REIMBURSEMENT RATE INCREASE [LFB Paper 985]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
SEG	\$3,330,000	- \$2,351,200	\$978,800

Governor: *Tuition and Fee Reimbursement Grant Program.* Increase the grant reimbursement rate for qualifying veterans under the tuition and fee reimbursement grant program from 65% to 100% of the cost of tuition and fees for a UW-Madison resident undergraduate and provide \$812,300 in 2001-02 and \$1,048,600 in 2002-03 for this purpose. Delete a redundant statutory reference to a 100% reimbursement rate for disabled veterans since all veterans would be reimbursed at 100% under the proposed change. Under current law, reimbursements are authorized if the qualifying veteran attends any institution or center within the UW system, any state technical college or any similar institution that has a tuition reciprocity agreement with Wisconsin. The base level of funding for the tuition and fee reimbursement grant program is \$1,551,400 annually.

Part-Time Study Grant Program. Increase the grant reimbursement rate for qualifying veterans under the part-time study grant program from 65% to 100% of the cost of tuition and fees and provide \$679,800 in 2001-02 and \$789,300 in 2002-03 for this purpose. Under current law, reimbursements are authorized if the qualifying veteran attends an institution of higher education in the state or a public or private high school. The base level of funding for the part-time study grant program is \$415,600 annually.

Qualifying Schools. Authorize the educational grant reimbursement programs to be used by qualifying veterans who attend proprietary schools approved by the Educational Approval Board and clarify the proper statutory citation for the definition of "institution of higher education."

Under current law, eligibility for both the tuition and fee reimbursement program and the part-time study grants program is restricted to veterans with incomes of \$47,500 or less (plus \$500 for each dependent in excess of two).

Joint Finance/Legislature: *Tuition and Fee Reimbursement Grant Program.* Delete \$546,900 in 2001-02 and \$692,100 in 2002-03 to reflect an increase of the grant reimbursement rate for qualifying veterans under the tuition and fee reimbursement grant program from 65% to 85%, rather than to 100%, as recommended by the Governor. Provide that the change would first apply to 2001 fall semester courses. Retain the current 100% reimbursement rate for disabled veterans.

Part-Time Study Grant Program. Delete \$515,600 in 2001-02 and \$596,600 in 2002-03 to reflect an increase of the grant reimbursement rate for qualifying veterans under the part-time study grant program from 65% to 85%, rather than to 100%, as recommended by the Governor. Provide that the change would first apply to 2001 fall semester courses. Retain the current 100% reimbursement rate for disabled veterans.

[Act 16 Sections: 1442, 1444, 1447, 1465 thru 1468, 9357(1) and 9457(2pp)]

3. VETERANS EMERGENCY ASSISTANCE GRANT PROGRAM MODIFICATIONS
[LFB paper 986]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
SEG	\$475,000	\$280,100	\$755,100

Governor: Make the following changes to the subsistence aid grant program and the health care aid grant program:

Subsistence Aid Grant Funding. Provide \$200,000 in 2001-02 and \$275,000 in 2002-03 to meet anticipated increases in demand for the subsistence aid grant program. This program provides temporary aid to veterans in the event of an illness, disability or death that causes a loss of income. Aid is generally limited to three months during any twelve-month period. The base level of funding for the subsistence aid grant program is \$300,600 annually.

Expanded Purposes for Which Subsistence Grants May Be Made. Authorize the Department to grant subsistence aid to an individual whose incapacitation is the result of alcohol or other drug abuse. This modification is made in conjunction with the changes to the health care aid grants program, as described below. Under current law, veterans who suffer from alcoholism or other drug abuse may apply for benefits under the separate health care aid grant program to cover treatment costs for these conditions.

Modify the Health Care Aid Grants Program. Repeal the current health care aid grant program and replace it with an eye and dental care grant program. Specify that the Department would be authorized to award grants to eligible veterans or their dependents for the costs of eyeglasses, contact lenses, hearing aids and basic dental care, including dentures. Retitle the existing health care aid grants program to apply instead to the new eye and dental care grant program. The base level of funding for the program is \$1,200,000 annually and would not be changed under the proposed modifications. Direct the Department to promulgate rules establishing criteria and procedures for awarding such grants. Specify that the rules must include eligibility requirements and application procedures. For the period prior to the promulgation of permanent rules, authorize the Department to promulgate emergency rules without first having to provide evidence of an emergency.

Under current law, health care aid grants help needy veterans pay for medical treatment (including treatment for alcoholism and drug abuse) and hospitalization. The program also covers dental care, hearing aid and eyeglasses costs. A veteran or resident dependent may not have liquid assets of more than \$1,000 without losing grant eligibility. Grants are limited to \$5,000 per veteran or dependent per year. Under the proposed modification, there would be no statutory annual limitation on the amount of aid a veteran could receive under the revised program.

Joint Finance/Legislature: Make the following changes to the subsistence aid grant program and the health care aid grant program:

Subsistence Aid Grant Funding. Provide an additional \$104,900 in 2001-02 and \$175,200 in 2002-03 for the subsistence aid grant program, based on a revised estimate of program needs.

Expanded Purposes for Which Subsistence Grants May Be Made. Specify that veterans receiving a subsistence aid grant for incapacitation due to alcohol or other drug abuse must be participating in an alcohol or other drug abuse treatment program that is approved by the Department.

Modify the Health Care Aid Grants Program. Delete provision.

[Act 16 Section: 1454]

4. VETERANS ASSISTANCE PROGRAM

FED	\$262,400
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Governor/Legislature: Provide \$37,700 in 2001-02 and \$224,700 in 2001-02 to expand the number of veterans assistance centers (VACs) by opening a 30-bed facility in Madison (\$187,000 in 2002-03) and reestimate the federal per diems received from the USDVA for resident veterans at VACs at the Veterans Home at King and at the Southern Wisconsin Veterans Retirement Center (\$37,700 annually). The VACs provides temporary housing, counseling, and access to medical services and training to homeless veterans, or veterans at high risk of becoming homeless to assist them in becoming self-supporting. Current VACs are located at Fort McCoy, the Veterans Home at King, Southern Wisconsin Center, Milwaukee and Tomah, and are operated through contracts with non-profit organizations.

All of the recommended new funding would be budgeted in unallotted reserve. The executive budget book indicates that these funds would be released by DOA to the Department upon submission of a report on the planned expenditure of per diem funds and an approval letter for the per diem funding from the USDVA.

5. TRANSPORTATION SERVICES GRANT FOR DISABLED VETERANS [LFB Paper 987]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
SEG	\$200,000	\$200,000	\$400,000

Governor: Create a SEG-funded annual appropriation and provide \$100,000 annually from the Veterans Trust Fund to support an annual grant to the Wisconsin Chapter of the Disabled American Veterans to provide transportation services to veterans. Direct the Department to make an annual grant in the amount of \$100,000 to the organization. It is anticipated that the organization would provide free transportation for veterans to community-based out patient clinics and medical centers in Wisconsin.

Joint Finance: Provide an additional \$100,000 annually for transportation services for veterans. Authorize the Department to distribute the additional funding as follows: (a) award grants of up to \$1,000 to counties that receive transportation services from the Disabled American Veterans Transportation Network to develop, maintain, and expand transportation services to veterans; and (b) award grants to counties not served by the Disabled American Veterans Transportation Network to develop, maintain, and expand transportation services to veterans. Counties would be authorized to receive awards for multi-county cooperative transportation services. Require the Department to promulgate rules specifying the application procedures and eligibility criteria for these grants. Prohibit a county from allocating any portion of a transportation services grant for use by another county department and from reducing funding to a county veterans service office based upon receipt of a transportation services grant. Require the Department and DOA to conduct a request for proposal in order to provide counties without Disabled American Veterans transportation service with a least-cost transportation option.

Senate: Delete provision that authorized grants of up to \$1,000 annually to counties that receive transportation services from the Disabled American Veterans Transportation Network to develop, maintain and expand transportation services for veterans.

Assembly: Restore provision that authorized grants of up to \$1,000 annually to counties that receive transportation services from the Disabled American Veterans Transportation Network to develop, maintain and expand transportation services for veterans.

Conference Committee/Legislature: Restore Senate provision.

[Act 16 Sections: 789, 1458, 1470m, 1470p and 9157(7e)]

6. MILWAUKEE VETERANS WAR MEMORIAL EDUCATION CENTER GRANT [LFB Paper 988]

SEG	\$200,000
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Governor: Create a biennial appropriation to fund a grant to the Wisconsin Veterans War Memorial/Milwaukee, Inc., to support its veterans education center and provide \$200,000 in 2001-02 for this purpose. Include a nonstatutory provision authorizing the Department to make one grant of \$100,000 during the 2001-03 biennium for the veterans education center. As drafted, the remaining \$100,000 in the appropriation would remain unspent and would lapse to the Veterans Trust Fund at the end of the biennium. Repeal the new appropriation effective July 1, 2003.

Joint Finance: Correct drafting error in order to provide a single grant of \$200,000 during the 2001-03 biennium.

Senate: Delete provision.

Assembly/Legislature: Restore provision, as modified by Joint Finance.

[Act 16 Sections: 791, 792, 9157(4) and 9457(1)]

7. RESIDENCY REQUIREMENTS FOR VETERANS PROGRAMS

Governor/Legislature: Modify the Wisconsin residency requirement for veterans to be eligible for benefits under most state veteran programs by redefining the residency requirement for persons who were not residents at the time of their enlistment or induction into military service. Newly specify that these veterans must have been a state resident for any consecutive twelve-month period after entry or reentry into the service and before application for a veteran benefit. Under current law, these veterans are required to have been a state resident for any consecutive five-year period after entry or reentry into the service and before application for a veteran benefit.

The statutory language specifically amends the residency requirements in the following areas: (a) the general statutory definition of a veteran for Department purposes; (b) the tuition and fee reimbursement program; (c) the definition of Veteran's Home membership for nonresidents; and (d) the eligibility for the home loan mortgage program. As under current law, once a veteran has satisfied the new residency requirement for a veterans benefit offered by the Department, the agency could not require the applicant to reestablish that he or she has met the new residency requirement for any other benefit program the agency offers. By modifying these statutory sections, all the Department's programs that have a specific residency requirement will be affected. Provide that the new residency requirements would first apply to applications for benefit programs administered by the Department and applications for admission to the Veterans Home at King and the Southern Wisconsin Veterans Retirement Center occurring on and after the general effective date of the biennial budget act.

[Act 16 Sections: 1443, 1452, 1462 thru 1464, 1473 and 9357(2)]

8. VETERANS HOUSING LOAN PROGRAM POLICY CHANGES

Governor/Legislature: Make the following modifications to the veterans housing loan program:

Origination Fees for Disabled Veterans. Require the Department to pay the approved loan origination fees charged by an authorized lender participating in the veterans housing loan program for any veterans who has at least a 30% service-connected disability rating. Provide that such payments would be made from the veterans mortgage loan repayment fund. Under current law, any person who receives a loan from an authorized lender under the veterans housing loan program must pay any required origination fee at the time of closing. The amount of the fee cannot exceed the amount that the lender would charge other borrowers.

Purposes for Which a Home Improvement Loan May Be Made. Authorize borrowers under the home improvement loan program to borrow up to \$25,000 for the removal or alteration of existing improvements that were made to a home to improve accessibility for disabled individuals. Under current law, home improvement loans of up to \$25,000 are authorized only for home improvements, including construction of a garage.

[Act 16 Sections: 794, 1474, 1478 and 1481]

9. VETERANS RETRAINING GRANTS PAYABLE DIRECTLY TO EMPLOYERS FOR ON-THE-JOB TRAINING

Governor/Legislature: Authorize the Department to pay a retraining grant on behalf of a veteran directly to the veteran's employer when the veteran is engaged in a structured, on-the-job training program. Under current law, the Department may grant to a qualifying veteran up to \$3,000 for job retraining in a training course at a technical college, in a proprietary school (other than one offering a four-year degree) or in a structured on-the-job training program. Currently, there is no provision to pay the grant to anyone other than the veteran. Base level funding for the retraining grant program is \$378,000 annually.

[Act 16 Section: 1470]

Homes and Facilities for Veterans

1. OVERTIME [LFB Paper 997]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
PR	\$859,000	- \$492,600	\$366,400

Governor: Provide \$429,500 annually to support staff overtime costs resulting from vacancies in positions that provide direct care to the residents of the Veterans Home at King. The amount the Governor recommends is equal to the standard reduction from the agency's salary budget that is based on the expectation that normal turnover will reduce salary costs during the year. This funding would enable DVA to maintain staffing levels by funding overtime worked by staff when positions that provide direct care become vacant.

Joint Finance/Legislature: Reduce funding by \$246,300 annually. As a result, the bill would restore approximately one-half of the 2% turnover reduction to support overtime costs at the Veterans Home at King. Reduce medical assistance (MA) benefits funding budgeted in DHFS by \$86,400 GPR and \$123,000 FED in 2001-02 and \$86,900 GPR and \$122,500 FED in 2002-

03 to reflect projected MA savings. The fiscal effect of the MA benefit reduction is identified under "Health and Family Services -- Medical Assistance."

2. SUPPLIES AND SERVICES [LFB Paper 996]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
PR	\$385,400	- \$217,100	\$168,300

Governor: Provide \$149,300 in 2001-02 and \$236,100 in 2002-03 to fund projected increases in the cost of supplies and services, including physician services, medical supplies, pharmaceuticals and food, at the Veterans Home at King. Base funding for supplies and services is \$6,232,100 annually.

Joint Finance/Legislature: Delete \$149,300 PR in 2001-02 and \$67,800 PR in 2002-03 to reflect a reestimate of the costs for supplies and services. Reduce MA benefits funding budgeted in DHFS by \$52,300 GPR and \$74,600 FED in 2001-02 and \$23,900 GPR and \$33,700 FED in 2002-03 to reflect projected MA savings. The fiscal effect of the MA benefit reduction is identified under "Health and Family Services -- Medical Assistance."

3. PROGRAM ASSISTANTS

	Funding Positions	
PR	\$121,200	1.50

Governor/Legislature: Provide \$60,600 annually and 1.5 program assistant positions, beginning in 2001-02, to convert 3.0 half-time positions to full-time positions at the King Home. One position currently provides clerical support to the Bureau of Activities, one position provides clerical support to the Bureau Engineering/Physical Plant, and the third position works primarily to transcribe medical notes and physicians' orders.

4. COMMANDANT POSITIONS

	Governor (Chg. to Base) Funding Positions		Legislature (Chg. to Gov) Funding Positions		Net Change Funding Positions	
PR	\$194,200	1.00	\$0	1.00	\$194,200	2.00

Governor: Provide \$87,200 in 2001-02 and \$107,000 in 2002-03 to fund 1.0 unclassified PR position, beginning in 2001-02, to serve as commandant for the new Southern Wisconsin Veterans Retirement Center (SWVRC) in Racine County.

Assembly: Modify the substitute amendment by providing 1.0 additional unclassified position, beginning in 2001-02, to serve as the commandant for the SWVRC in Racine County. In addition, authorize expenditures for the SWVRC from the appropriation that currently

supports the operation of the Veterans Home at King, and incorporate references to the southeastern facility in current statutes relating to DVA's responsibilities and operations.

Conference Committee/Legislature: Adopt the Assembly provision, but specify that the additional unclassified position would serve as the commandant for the Veterans Home at King. The current commandant position at King is expected to become the Administrator of the Division of Veterans Homes.

[Act 16 Sections: 783t, 1461x, 1461xf, 1464g thru 1464L, 3051, 3057 and 9157(8n)]

5. ACTIVITIES STAFF

	Governor (Chg. to Base)		Jt. Finance/Leg. (Chg. to Gov)		Net Change	
	Funding	Positions	Funding	Positions	Funding	Positions
PR	\$127,500	1.50	\$69,600	1.00	\$197,100	2.50

Governor: Provide \$58,700 in 2001-02 and \$68,800 in 2002-03 to fund 1.0 activity therapist and 0.5 activity therapist assistant, beginning in 2001-02, to support organized activities for residents, especially lower functioning residents at the King Home.

Joint Finance/Legislature: Provide \$33,500 in 2001-02 and \$36,100 in 2002-03 to support 1.0 activity therapist assistant position, beginning in 2001-02, to coordinate outdoor activities for residents at the Veterans Home at King. Increase MA benefits funding budgeted in DHFS by \$11,700 GPR and \$16,800 FED in 2001-02 and \$12,700 GPR and \$18,000 FED in 2002-03 to reflect projected increases in MA costs relating to this item. The fiscal effect of the MA benefit increase is reflected under "Health and Family Services -- Medical Assistance."

6. LTE WAGE INCREASES

PR	\$100,400
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Governor/Legislature: Provide \$50,200 annually to fund wage increases for limited-term employees (LTEs) that were approved as part of recent labor contracts that have increased average wage rates by 8.7%. Base funding for LTE costs at the Veterans Home at King is \$535,600. The bill increases funding for LTE salaries by \$46,600 and fringe benefits for LTEs by \$3,600 annually, which represents 7.65% of the salary increase.

7. PHARMACY TECHNICIAN

	Funding Positions	
PR	\$60,000	1.00

Governor/Legislature: Provide \$29,600 in 2001-02 and \$30,400 in 2002-03 to fund 1.0 pharmacy technician, beginning in 2001-02, to provide pharmacy services at the Veterans Home at King. Currently, the facility is authorized three staff pharmacists, a pharmacy supervisor and four pharmacy technicians.

8. PROGRAM REVENUE REESTIMATES

PR	\$32,500
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Governor/Legislature: Provide \$15,500 in 2001-02 and \$17,000 in 2002-03 to reflect reestimates of the amount of revenue that will be available to support: (a) the Home Exchange, a store for residents at the Veterans Home at King, which is funded by sales (\$15,000 in 2001-02 and \$16,500 in 2002-03); and (b) burials at the cemetery, which are funded from the estates of decedents (\$500 annually).

9. MUNICIPAL SERVICES BILLING CORRECTION

PR	- \$3,200
SEG	<u>3,200</u>
Total	\$0

Governor/Legislature: Delete \$4,000 PR annually from the Veterans Home at King and provide \$2,400 PR annually to the Veterans Home at Southern Center and \$1,600 SEG annually for the Southern Wisconsin Veterans Memorial Cemetery to correct billings for municipal services provided to these sites.

10. SOUTHERN WISCONSIN VETERANS RETIREMENT CENTER -- STAFF FOR NEW CBRF

Funding Positions		
PR	\$2,460,100	28.00

Senate/Legislature: Provide \$412,600 in 2001-02 and \$2,047,500 in 2002-03 to fund 28.0 positions, beginning in 2001-02, to staff a new community-based residential facility (CBRF) that will be built as part of the Southern Wisconsin Veterans Retirement Center (SWVRC). Modify DVA's institutional operations appropriation to authorize DVA to expend funds from the appropriation to support the SWVRC.

1999 Wisconsin Act 9 provided \$23,100,300 in bonding authority to construct several facilities at the SWVRC, including a 48-bed CBRF. DVA estimates that construction of the facility will be completed in October, 2001.

[Act 16 Sections: 783t and 9157(8b)]